

**MINUTES OF MEETING OF THE  
BOARD OF DIRECTORS**

**December 1, 2015**

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FIRST COLONY LEVEE IMPROVEMENT DISTRICT NO. 2 §

The Board of Directors (the "Board") of First Colony Levee Improvement District No. 2 of Fort Bend County, Texas (the "District"), met in regular session, open to the public, at 12:00 p.m. on December 1, 2015 at the offices of Coats, Rose, Yale, Ryman & Lee, P.C., 9 Greenway Plaza, Suite 1100, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; whereupon, the roll of the members of the Board of Directors was called:

Ron Frerich	-	President
Christine M. Lukin	-	Vice President
Carl Mazzo	-	Secretary

All members of the Board of Directors were present, thus constituting a quorum.

Also present at the meeting were Mark Roth, CPA, the District's auditor; Tara Klein of Four and One LLC ("4&1"); Debbie Arellano of Bob Leared Interests, the District's tax assessor/collector ("TAC"); Joe Mattingly of Champions Hydro-Lawn, Inc. ("Champions"); Jason Klump of Storm Water Solutions, LP ("SWS"), the District's Operator; Craig Kalkomey of Jones & Carter ("J&C"), the District's Engineer; Tina Kelsey of Myrtle Cruz, Inc. ("MCI"), the District's Bookkeeper; John Cannon, Esq. and K. Greer Kuras, Esq. of Coats, Rose, Yale, Ryman & Lee, P.C. ("Coats Rose"), legal counsel for the District.

Whereupon, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law. A copy of the posted agenda notice is attached hereto as Exhibit "A".

**HEAR FROM THE PUBLIC**

No member of the public was present.

**APPROVE ANNUAL AUDIT**

The Board recognized Mark Roth, CPA, the District's auditor. Mr. Roth reported that no problems were found. After discussion and upon motion by Director Lukin, seconded by Director Mazzo, the Board voted unanimously to approve the audit as presented by Mr. Roth.

## **APPROVAL OF MINUTES**

The Board considered approving the minutes of the Board meeting held on November 3, 2015. After consideration and upon a motion by Director Lukin, seconded by Director Mazzo, the question was put to the Board, and the Board voted unanimously to approve the minutes of the meeting held November 3, 2015.

## **TAX COLLECTOR'S REPORT**

The Board recognized Ms. Arellano, who reported that 99.647% of the 2014 tax levy and 11.214% of the 2015 tax levy have been collected as of November 30, 2015. The Board declined to have an aerial photograph of the District taken by the tax assessor collector.

After discussion and upon motion by Director Frerich, seconded by Director Lukin, the Board voted unanimously to authorize payments from the tax account and to approve the tax collector's report, a copy of which is attached hereto as Exhibit "B".

## **CHAMPIONS HYDRO-LAWN REPORT**

The Board recognized Mr. Mattingly, who presented Champions' report, a copy of which is attached hereto as Exhibit "C". Mr. Mattingly reported that levee system maintenance was completed on November 12, 2015. Fertilization and ant treatment was completed on November 20, 2015. Mr. Mattingly further reported that the grass on the tops, slopes, and bottoms looks good; that the replacement trees have been planted; and that a broken gate will be replaced before the end of the year. Finally, Mr. Mattingly recommended against mowing at this time.

After discussion and upon motion by Director Lukin, seconded by Director Mazzo, the Board voted unanimously to approve Champions' report, a copy of which is attached hereto as Exhibit "C".

## **OPERATOR'S REPORT**

The Board recognized Mr. Klump, who presented and reviewed Storm Water Solutions' monthly management report, a copy of which is attached hereto as Exhibit "D".

During the past month, the pumping station and related equipment were inspected on a daily basis to insure proper operation. All outfall structures, drainage ditches, back slope drains, drainage swales, levees, and easements were inspected weekly. A constant weather watch has been maintained on a local and regional basis, as well as the Brazos River stages at Richmond, and river reports are attached to the operator's report.

SWS is continuing to test genset and load bank for one hour per week and is continuing debris removal and good housekeeping measures throughout the pump station and storage building. Weekly log sheets are maintained. Quarterly generator maintenance and load bank testing was completed on October 22, 2015. The next quarterly maintenance will take place in January. SWS tested the District's radios twice in connection with Fort Bend County's weekly radio checks, and the radios are functioning correctly.

After discussion and upon motion by Director Frerich, seconded by Director Mazzo, the Board voted unanimously to approve proposed repair and maintenance items, namely generator maintenance, O-ring and battery box replacement.

## **ENGINEER'S REPORT**

The Board recognized Mr. Kalkomey, who presented the engineer's report, attached hereto as Exhibit "F".

### **Review Proposed Capital Improvements Budget**

There have been no changes to the CIP since October's meeting.

### **Project Reports, Change Orders, and Pay Estimates**

**Pump Station Electrical System** - NTS has ordered the District's new Automatic Transfer Switch (ATS), which should be delivered within 5 to 7 weeks. They will be coordinating with Storm Water Solutions to perform the miscellaneous repairs within the next one to two weeks and revisit the station when the ATS has been delivered. After all repairs are complete, the only original panel still in use today will be the main disconnect. From J&C's inspection, we did not recommend any needed repairs or replacements to the main disconnect; however, while NTS is on-site, we will have them re-evaluate its condition. If any repairs are needed, we will present those at the January Board Meeting.

**USACE / Culvert Sealing** - The contractor has completed the repairs to the District's pump discharge lines per the USACE request.

### **MS4 Permitting**

The District's waiver is still awaiting review and approval from the TCEQ Team Leader of the Storm Water Division.

### **Additional Items**

**Northwest Pond Sinkhole** -The City has started the outfall repairs. As of November 25th, the new pipe had been installed with concrete slope paving. All that remains is to backfill the area and restore the site.

**Brazos River Authority (BRA) Lower Brazos River Study** - On November 19th the BRA held a public meeting to discuss the status of their Lower Brazos River Study. The meeting focused on the preliminary results of their hydrologic modeling. Phase I develops the overall hydrology for the lower Brazos River watershed and a hydraulic model from Richmond to the Gulf of Mexico. Phase I should be completed by April 2017. Phase II still requires additional funding; however, the BRA anticipates starting Phase II in January 2016 with a completion date of March 2018. Phase II will develop a hydraulic model from Hempstead to Richmond.

After discussion, and upon motion by Director Frerich, seconded by Director Mazzo, the Board voted unanimously to approve the Engineer's Report and authorized recommended replacements and repairs. The Board further requested that the engineer produce its log of recent repairs at the next meeting.

### **BOOKKEEPER'S REPORT**

The Board then recognized Tina Kelsey of Myrtle Cruz, Inc., who filled in for Karrie Kae to present for the Board's review and approval the bookkeeper's report. She reported on the status of the District's various accounts and reviewed the Operating Account checks prepared for the Board's review and approval. A copy of the bookkeeper's report is attached hereto as Exhibit "G".

There was additional discussion about the possibility of "ratchet charges" following the May 2015 floods. In this District's case, there does not appear to have been an ongoing spike in the energy bills.

After discussion and upon motion by Director Lukin, seconded by Director Frerich, the Board voted unanimously to approve the Bookkeeper's Report and to authorize payment of the bills of the District.

### **ATTORNEY'S REPORT**

#### **Discuss any Landscape Projects and Act Thereon**

The Board recognized Ms. Klein, who discussed the status of landscaping projects. Ms. Klein reported that six bidders appeared at the mandatory pre-bid meeting. She further reported that the geotech report is past-due, which report potential bidders require.

Upon motion by Director Frerich, seconded by Director Lukin, the Board approved (i) postponing the bid opening in order to give bidders time to receive and review the geotech report, and (ii) scheduling a special meeting at 2:00 p.m. on Friday, December 11, 2015, at the designated meeting place inside the District in order to consider accepting a bid for such work. Public notice of said meeting will be published accordingly.

#### **Discuss Status of Efforts to Acquire Land from HOA**

The Board recognized Mr. Cannon, who discussed the status of efforts to acquire certain land from the HOA. Mr. Cannon reported that the HOA is in the process of drafting a lease to present to the Board.

#### **Ratify Resolution Casting Ballot for Election for the Fort Bend CAD**

Upon motion by Director Lukin, seconded by Director Mazzo, the Board voted unanimously to ratify their previous motion to cast a ballot for Jim Kij to be elected to the Fort Bend Central Appraisal District.

**Discuss Any “Ring Levee” Issues and Take Any Necessary Action**

Director Frerich requested certain update to the Emergency Operations Plan binder. All present were reminded of the Flood Management Symposium in January of 2016.

PASSED, APPROVED, and ADOPTED this 5<sup>th</sup> day of January, 2015.

*Ronald J. Frerich*  
Secretary, Board of Directors

(DISTRICT SEAL)

